

# Lottery for Non-Primary Short-Term Rental Reservations Terms and Conditions

#### **DEFINITIONS**

- **Short-Term Rental (STR)**: A rental offered or provided to a paying guest(s) that is for thirty (30) or fewer consecutive nights.
- Dwelling Unit (Unit): The physical location of the non-primary residence that is intended to be
  offered for short-term rental use as determined by the County of Los Angeles Assessor
  Identification Number (AIN), the address, and unit number and that is entered on the
  Reservation Application.
- Lottery: A random drawing of Applications conducted by the City to create the Reservation List.
- **Reservation Application (Application)**: A electronic form submitted to the City by individuals interested in obtaining a Reservation to register a non-primary residence STR.
- Reservation Applicant (Applicant): The residential property owner(s) identified on the Reservation Application.
- **Non-Primary STR Reservation (Reservation)**: An invitation to register a non-primary residence awarded to Eligible Registrants by the City, valid for three (3) weeks from the award date.
- **Eligible Registrant**: Individuals who have registered their non-primary residence with the City, or who currently possess a valid Reservation from the City.
- **Reservation List**: A list of all Eligible Registrants (800 max) maintained by the City.
- **Waiting List**: A list of Applicants interested in obtaining a Reservation that is maintained by the City while the Reservation List is full.
- Lottery Application Period: The time period beginning January 28, 2021 at 8:30 AM PST and running until February 17, 2021 at 11:59 PM PST that the City will accept Applications to be entered into the Lottery.
- **Duplicate Lottery Entry**: An Application entered in the Lottery that lists a Unit that has already been entered, or an entry by an Applicant who has already entered the Lottery.



#### **LOTTERY PURPOSE**

Under the ordinance, the City can issue up to 800 short-term rental registrations to property owners of non-primary residences.

The City cannot issue STR registrations for Units in the Coastal Zone until the California Coastal Commission (CCC) approves the City's STR Ordinance.<sup>1</sup> The City recognized that by the time the CCC grants this approval, there would be fewer available registrations remaining for Applicants with Units in the Coastal Zone. Therefore, to provide an equal opportunity to all interested Applicants, both in the Coastal Zone and in the rest of the City, staff is conducting this Lottery. Any of the first 800 Applicants drawn that have Units in the Coastal Zone shall receive a special Reservation which can be used to register after the CCC grants approval.

To see if your property is in the Coastal Zone, please enter your address in our <u>Coastal Zone</u> <u>Property Lookup</u>.

## **NON-PRIMARY REGISTRATION PROCESS**

There will be two distinct processes for registering non-primary STRs. The initial process will be to conduct a Lottery whereby all Applicants have an equal opportunity of obtaining a Reservation. It is through this process that the Reservation List will be created.

The second process will begin immediately following the close of the Lottery Application Period. Once applications are no longer accepted for the Lottery, the City will begin accepting post-lottery Reservation applications.

#### **LOTTERY AND REGISTRATION PROCESS**

To enter the lottery, an Application must be submitted. The random drawing for the Lottery will be conducted shortly after the end of the Lottery Application Period. The first 800 Applicants drawn will receive Reservations. Of these first 800 Applicants, those with a Unit in the Coastal Zone will receive a Reservation that shall remain valid until such time that they are notified by the City that they are allowed to register.<sup>2</sup> Reservations will be delivered via email.

The first 800 Applicants drawn shall become Eligible Registrants upon receiving a Reservation. They may hold their status as an Eligible Registrant as long as they satisfy one of the following: (1) they are registered with the City, (2) they are not registered, but have a valid Reservation, or (3) they are

<sup>&</sup>lt;sup>1</sup> The CCC may request changes to the ordinance that could further delay the ability to register an STR in the Coastal Zone

<sup>&</sup>lt;sup>2</sup> Notifications will be made after CCC approval and the resolution of any potential changes they may request. Upon notification, the Reservation will remain valid for the requisite three (3) weeks



not registered but have submitted a non-primary residence registration application with the City that is under review.<sup>3</sup>

Lottery Applicants who were drawn after the first 800 will also be placed on the Waiting List in the order they were drawn.

Any of the first 800 Applicants drawn who allows their Reservation to expire will no longer be an Eligible Registrant and their position on the Reservation List will be forfeited. If they still wish to register their non-primary residence STR after their Reservation has expired, they will need to submit a post-lottery Application. Should a Waiting List be established through the Lottery, post-lottery Applications will be added to the end of the Waiting List in the order they were received.

All Applicants will be notified via email after the Lottery and provided next steps based on their individual results.

The Waiting List will be posted online and updated periodically. Staff will create a "Waiting List ID" for applicants based on the first letters of their first and last names and the last 4 digits of the phone number listed on the Reservation application. For instance, if the name and number listed on an application was John Doe, (562) 444-5555, the Waiting List ID would be "JD-5555".

#### **LOTTERY RULES**

An Applicant may enter the lottery only once.

If the property owner is a legal entity and/or business structure such as a Trust or LLC, staff will require the identification of a member of that legal entity on the Application who may lawfully act on behalf of the entity. Individuals identified as, or discovered by staff to be a member of, a legal entity that has obtained a non-primary STR registration may not apply for a separate registration themselves, either under their own name or through another legal entity.

City staff will be comparing Lottery Applications against available assessor records to verify property ownership. Staff may follow up as necessary to clarify any inconsistencies.

Duplicate Lottery Entries are not allowed. Staff will perform best efforts to resolve and/or remove Duplicate Lottery Entries before the drawing. If staff discovers duplicate entries after the Lottery occurs, the Applicant will retain the lowest ranked position. Example: a single Applicant enters the Lottery twice for the same dwelling unit at 111 Main St. and there are 1200 total Applications submitted. During the random drawing, the first 111 Main St. Application is the 300<sup>th</sup> pulled and the second 111 Main St. Application is the 1100<sup>th</sup> pulled. In this scenario, the first Application would be

<sup>&</sup>lt;sup>3</sup> Registrations that are under review and require resolution regarding missing information may be closed and Eligible Registrant status will be lost if the Applicant is found to be non-responsive.



forfeited and the Applicant would be placed on the Waiting List at the 1099 position, moving up one since the 300<sup>th</sup> drawn Application was withdrawn.

## **POTENTIAL RESTRICTIONS**

As part of the ordinance, residential property owners can petition to prohibit un-hosted rental activity in their neighborhoods. Should a petition be successful, the City will mail notice of the prohibition and any Eligible Registrants with units that neighborhood will be removed from the Reservation List. More details regarding petition process will be made available soon at <a href="https://www.longbeach.gov/strs.">www.longbeach.gov/strs.</a>

#### **CONTACT INFORMATION**

For questions regarding this lottery or other short-term rental queries, email <a href="mailto:shortTermRentals@longbeach.gov">shortTermRentals@longbeach.gov</a> or call (562) 570-6820.

# CLICK THE ICON BELOW FOR THE LOTTERY RESERVATION APPLICATION



To request this information in an alternative format or to request a reasonable accommodation, please contact the Development Services Department at longbeach.gov/lbds and 562.570.3807. A minimum of three business days is requested to ensure availability; attempts will be made to accommodate requests with shorter notice.